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DEPARTMENT FOR INR/R/MR, EAP/RSP/TC, EAP/PA, EAP/PD - ROBERT PATITIADTNO

DEPARTMENT PASS AIT/WASHINGTON

E.O. 12958: N/A TAGS: <u>OPRC</u> <u>KMDR</u> <u>KPAO</u> <u>TW</u>

SUBJECT: MEDIA REACTION: U.S.-China-Taiwan Relations

Summary: 1. Taiwan dailies focused June 11-13 on two domestic issues, i.e. a local kidnapping case and a Grand Justices' decision. The conservative, pro-unification "United Daily News" and the pro-independence "Taiwan Daily" both reported June 11 on their front pages about the Taiwan Grand Justices' decision to temporarily suspend plans to collect finger reports when issuing new ID cards. The collect fingerprints when issuing new ID cards. The centrist, pro-status quo "China Times," the conservative, pro-unification "United Daily News," and the pro-independence "Taiwan Daily" all reported June 12 on their front pages about the kidnapping of Taichung County Jenlan Temple Deputy Chairman Cheng Ming-kun.

- 12. Regarding editorials and commentaries, Taiwan dailies focused June 11-13 on domestic issues such as the second stage of constitutional reforms, insufficient job opportunities for teachers, the implications of the recent Taiwan fishermen's protest against Japan, etc. The pro-independence "Liberty Times" did publish an editorial, however, suggesting that President Chen Shui-bian should seek a meeting with U.S. President George W. Bush rather than a meeting with China's President Hu Jintao. The Proindependence, English-language, "Taiwan News" editorialized that the United States should play a more active role in incorporating China into the world community, and in protecting Taiwan's security. A commentary in the proindependence, English-language, "Taipei Times" said U.S. warnings about China's military buildup could serve as an appeal to the Taiwan people since the United States has found it hard to alter the pro-China thinking of some Taiwan politicians. Another commentary in the "Taipei Times" said Taiwan farmers should not merely focus on short-term profits that could result from China's policy to allow imports of Taiwan fruit, but should watch out for the problem of over-production as well. End summary.
- A) "One Would Rather Seek a `Bian-Bush Meeting' Than to Hope For a `Bian-Hu Meeting'

The pro-independence "Liberty Times" [circulation: 800,000] (06/13)editorialized:

- ". [I]f the United States continues to ignore the status quo of Taiwan's sovereignty, and refuses to conduct exchanges with high-ranking Taiwan officials, the `magnetic force' of China toward Taiwan will not decrease, but will increase. As one can imagine, the United States, which is concerned about cross-Strait issues, will not be glad to see this kind of development.
- ". We hope the government will not only focus on China, but also on the United States . because Taiwan and the United States are real democratic partners. In other words, for the next three years, we suggest that President Chen Shuibian seek a meeting with U.S. President George W. Bush to replace a meeting between him and China's President Hu Jintao. That means President Chen should set as a goal the seeking after a breakthrough in Taiwan-U.S. relations.
- ". Recently, U.S. experts have proposed new thinking on cross-Strait issues, including a review of the `One China' Moreover, the U.S. Congress has often passed resolutions friendly to Taiwan. These changes in the external environment will obviously contribute to talks between high-ranking Taiwan and U.S. officials. . [I]t is reasonable for Taiwan to talk to a friend before it talks to an enemy. We thus suggest that President Chen seek a `Bian-Bush meeting' to replace any `Bian-Hu meeting' in order to protect Taiwan's sovereignty and security."
- B) "U.S. Should Play Constructive Role in Cross-Strait Affairs

The Pro-independence, English-language, "Taiwan News" [circulation: 22,000](06/13) editorialized:

". In the past, the PRC government had long insisted that its relations with Taiwan were "domestic affairs" and refused interference from the outside, especially from the

- U.S. However, beginning in late 2003, the Beijing authorities adopted a new strategy to put pressure on Taipei through the U.S. and other countries in the wake of President Chen's push to incorporate the right of referendum into law and hold Taiwan's first "peace" referenda in tandem with the last presidential election on March 20, 2004.
- ". Despite its official "non-involvement" stance, Washington should also play a more active role given the critical importance of peace and stability in the Taiwan Strait and hopes that the PRC can continue its own reforms and be incorporated peacefully into the world community.
- "Moreover, it is essential that Washington continue to uphold its commitment to the security of Taiwan, in accordance with the Taiwan Relations Act, by helping to bolster the security of Taiwan as a whole, by continuing to stress the respect of the free will of the 23 million Taiwan people and by persuading Beijing to pragmatically consider Chen's offer to build a mutually beneficial peace framework."
- C) "Warnings on China Also Meant for Taiwan"
 Bill Chang, a former deputy director of the Chinese Affairs
 Department of the Democratic Progressive Party, commented in
 the pro-independence, English-language, "Taipei Times"
 [circulation: 30,000](06/11):
- ". Although China's military power has grown rapidly in recent years, the US' "revolution in military affairs" has not slowed down either. US defense spending has been increasing every year, indicating that the American's have no intention of falling behind in an arms race. In other words, the gap in military strength between China and the US has not been closed to any significant extent. The alarm raised by the US over China's militarization is not meant for its own people, but for China's neighbors.
- ". The US will not forget what happened in the late years of Mohammed Reza Pahlavi's regime in Iran, who was deposed in an Islamic revolution in 1979. As the anti-US forces in that country grew, they finally took over the Iranian regime, and US interests in the country were rooted out overnight. Washington was in great trouble, despite the fact that the anti-US forces did not cooperate with the Soviet Union -- the US' strategic enemy at the time. What if Taiwan, which shares a common language and ethnicity with China and enjoys great economic and military strength, became China's ally?
- "Since the US is unable to alter or shake the pro-China stance of certain Taiwanese politicians, highlighting Beijing's threat is a direct appeal to the Taiwanese people.
- "To surrender to China and disregard the nation's interests will only deepen US distrust of Taiwan. Such damage could be fatal. The Pentagon's harsh words regarding China's arms buildup are not just a warning to China, but also to Taiwan."
- D) "Beijing's Attempted Fruit Attack Won't Work"
- Woo Rhung-jieh, a professor in the Department of Agricultural Economics at National Taiwan University, commented in the pro-independence, English-language, "Taipei Times" [circulation: 30,000](06/12):
- ". There are many benefits to be had from exporting Taiwan's agricultural produce to China in a planned way, for this will help relieve the negative pressure on Taiwanese farmers brought by the deregulation of trade in agricultural produce.
- "But the preconditions of establishing trade relations with China are the absence of political interference, respecting the WTO regulations and the free operation of the market under a "normal" situation. Only in this way could we prevent the possibility of suffering a big loss for a little gain, and only by doing this can we refrain from being confronted with a predicament nobody wants.
- ". The prospect of short-term benefits may cause domestic farmers to increase production to meet the demands of an illusory market, disrupting Taiwan's agricultural export development plan. After some business people are drawn by the bait, China can go back on its promise on various pretexts, to achieve political ends. Unable to halt or redirect production when the market is no longer able to absorb production, large investments of money and effort will find no outlet. As a result, the price of Taiwan's agricultural produce for exports will fall sharply, and at the end, farmers will suffer severe losses. Who will be there to listen to the complaints of the farmers? Who will shoulder responsibility for farmers' losses and the consequent social unrest?

"Speaking of national defense in particular, if China uses its preferential tariff treatment to cajole Taiwan into reciprocally opening imports of China's agricultural produce, China could flood Taiwan with its agricultural produce, which is cheap, but of questionable quality. The victims will not be limited to disadvantaged farmers and the agricultural sector."

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